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Northwest Territories Energy and Resource Development

# RESOURCE DEVELOPMENT POLICY

RICHARD NERYSOO:
MINISTER

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# RESOURCE DEVELOPMENT POLICY

## POLICY STATEMENT

THE GOVERNMENT OF THE NORTHWEST TERRITORIES WILL APPROVE A RESOURCE DEVELOPMENT PROJECT WHEN ITS OVERALL ECONOMIC, SOCIAL, AND ENVIRONMENTAL IMPLICATIONS ARE JUDGED TO RESULT IN NET BENEFIT TO THE PEOPLE OF THE NORTHWEST TERRITORIES.

The following principles will be used to evaluate the implications of resource development projects:

- Opportunities for jobs, training, and business development shall be maximized to ensure economic benefits.
- The NWT shall derive energy benefits and secure energy supply from energy producing projects to help offset the loss of resources and to contribute to achieving energy self sufficiency.
- The environment and renewable resource activities shall be protected.
- Northern lifestyles and cultural heritage will be protected.
- Local communities and interest groups will participate in consultation programs to ensure that resource projects are responsive to public concerns.
- The interests of native groups shall be recognized.
- Social and economic disruption shall be identified and monitored, and corrective measures developed and assigned to industry and appropriate levels of government.
- Expansion of existing communities to support resource development shall occur in an orderly manner in keeping with the wishes of residents, and when this expansion is uneconomic or undesirable new single-resource communities may be established.
- An equitable share of resource revenues should accrue to the NWT.

## SCOPE

This policy shall apply to the exploration, development and production phases of all non-renewable resource development activity and all renewable resource development projects in all lands and waters within the jurisdiction of the NWT.

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## DEFINITIONS

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| Impact | ● the effects resulting from a resource development project. |
| Impact Assessment Report | ● a document prepared by a project proponent that describes the project, identifies the impacts and proposes mitigative programs as a consequence of project activity. |
| Mitigative Measure | ● a response to a consequence of development that can reduce the negative aspects of the impact. |
| Terms and Conditions | ● the specific criteria upon which GNWT support for a particular project is contingent. |
| Action Plan | ● a document prepared by a project proponent that outlines industry's operational plans for a specific time period to respond to social, economic and environmental concerns. |
| Resource Development Guidelines | ● GNWT criteria for resource development activities for use by industry in project planning and impact determination and for use in the assessment of the proposal. |
| Development Impact Zones | ● a community, group of communities or geographic area experiencing or expected to experience extraordinary impacts as a result of resource development. |
| Development Impact Zone Group | ● a group of people representing the Development Impact Zone and initiating planning activities in response to resource development issues of the zone. |
| Guidelines for Monitoring | ● GNWT criteria for resource development activities for use in checking and comparing industry's actual achievements against its original commitments. |
| Development Impact Zones Criteria | ● GNWT criteria that are used to designate and priorize Development Impact Zones and evaluate funding requests of Development Impact Zone Groups. |

## DEFINITIONS

### Impact

- the effects resulting from a resource development project.

### Impact Assessment Report

- a document prepared by a qualified practitioner that describes the project, identifies the impacts and proposes mitigation measures as a consequence of project activity.

### Mitigative Measure

- a technique to a consequence of development that reduces the negative effects of the impact.

### Terms and Conditions

- the specific criteria upon which EAGT support for a particular project is contingent.

### Action Plan

- a document prepared by a project proponent that outlines industry's proposed plans for a specific time period to implement mitigation measures and environmental commitments.

### Resource Development Guidelines

- what is being the resource development activities that are likely to proceed to project planning and environmental determination and for use at the project level.

### Development Impact Zones

- a geographic zone of consequence or operational area surrounding or associated with a resource development impacts as a result of resource development.

### Development Impact Zone Group

- a group of experts representing the Development Impact Zone and industry/government activities in response to resource development issues of the zone.

### Guidelines for Monitoring

- EAGT procedures for evaluating development activities for use in developing and comparing the industry's actual performance against the original commitments.

### Development Impact Zone Criteria

- EAGT criteria that are used to designate and prioritize New Development Impact Zones and evaluate further requests of Development Impact Zone Groups.

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| Assessment & Review Report | ● a report that contains the following:<br><br>a description of the proposal.<br><br>the public response to the project proposal as determined through submissions from representative community-based groups.<br><br>submissions from affected departments and regions that determine the effects of the project on planned and existing responsibilities and identify requirements for new initiatives.<br><br>recommendations for terms and conditions of project support |
| Monitoring Report | ● a report prepared with input from the departments, regions and the public about industry's performance. |
| Development Certificate | ● a certificate issued to the proponent<br><br>the certificate outlines the terms and conditions for GNWT approval in principle and can be renewed. |
| Resource Revenues | ● Monies received by the GNWT from renewable and non-renewable resource development occurring within the NWT including:<br><br>- direct taxation<br><br>- resource royalties<br><br>- licences and fees<br><br>- fines |
| Single-Resource Community | ● A population centre in which the economic activity of the residents is solely dependent upon the extraction and/or primary processing of a resource. |

## PROVISIONS

### I. Development Impact Zones - The Public Role in Planning

1. The Executive Committee will designate and priorize specific areas as Development Impact Zones within established criteria.

2. The Executive Committee may support the formation of one Development Impact Zone Group, representative of the public interests in a Zone, using existing bodies such as local and regional councils. The Regional Director will represent the GNWT in an ex-officio capacity on the D.I.Z. Group.

3. The Executive Committee will seek the agreement of the Federal Government and industry to support the activities of Development Impact Zone Groups and to avoid duplication of their functions.

4. Each Development Impact Zone Group will prepare a work plan outlining proposed activities and budgets which will enable it to:

   - analyze resource development issues and activities.

   - identify local impacts of resource development on physical and social infrastructure.

   - recommend mitigative measures to meet those impacts.

5. The GNWT will establish mechanisms to fund a Development Impact Zone Group to carry out its work plan.

6. The Development Impact Zone Group will submit its Report of Recommendation through the Regional Director and the Minister for Energy and Resource Development to the Executive Committee for approval and inclusion in overall GNWT planning, budgeting and implementation strategies to meet the challenges of resource development.

## AUTHORITIES AND ACCOUNTABILITIES

### Executive Committee

- Approves Development Impact Zone designation and priorization.

- Approves and allocates responsibility for implementing the D.I.Z. Group Report of Recommendations.

## PROVISIONS

### 1. Development in the Zones - The Public Role in Planning

1. The Executive Committee will designate and delineate specific areas as Development Zones within which priorities and criteria.

2. The Executive Committee may approve the formation of new development zone firms, associations or the public enterprises in a zone, using existing bodies such as local and regional councils. The National Planning Board will recommend the staff in an ex-officio capacity on the D.Z. Board.

3. The Executive Committee will seek the assessment of the Planning Commission and in turn to support the activities of Government Project Zone Groups and to avoid duplication of the Board's work.

4. Each Development Project Zone Group will prepare a development plan for proposed activities and budgets which will include in its:

- analysis of zone development issues and activities;

- identify local impacts of economic development on physical and social infrastructure;

- recommend priority investments to meet these needs;

5. The Board will establish mechanisms to guide a Development Project Zone Group to carry out its work plan.

6. The Development Project Zone Group will consider the impact of Kenya Industries around the Regional Director and the Business Development Centre and assess the feasibility to the Zone in advance for approval and activation in accordance with Business and implementation strategies to meet the requirements of development.

## AUTHORITIES AND ACCOUNTABILITIES

### Executive Committee

- Approve Development Project Zone designation and priorities;

- Approve and allocate responsibility for implementing the Project Zone Report in accordance with Annex;

Financial Management Board

- Approves budget plan for Development Impact Zone Group activities.

Minister for Energy and Resource Development

- Advances criteria for designation and priorization of D.I.Z.'s to the Executive Committee.
- Advances D.I.Z. Group work plan and budget to the Financial Management Board.
- Advances D.I.Z. Group Report of Recommendation to the Executive Committee.

Secretary for Energy and Resource Development

- Coordinates the evaluation and recommends approval of work plan and budget.
- Negotiates with industry for funds to support D.I.Z. Group work.

Deputy Ministers/Directors

- Provide policy interpretation and technical assistance to D.I.Z. Groups upon request from the Regional Director.

Regional Directors

- Provide information, advice and facilitate the formation and operation of D.I.Z. Groups.
- Evaluate and recommend to Secretary for Energy and Resource Development approval of D.I.Z. Group work plan and funding requests.
- Review and transmit D.I.Z. Group Report of Recommendations to the Minister for Energy and Resource Development.
- Acts as an ex-officio member of a D.I.Z. Group.

## II. ASSESSMENT AND REVIEW

1. The proponent will prepare the initial project proposal using the Resource Development Guidelines and submit the proposal to the Minister for Energy and Resource Development.

2. The GNWT will assess and review the project proposal with input from the Development Impact Zone Group.

3. A Report of the Assessment and Review Process will be prepared and will include the terms and conditions under which Executive Committee approval would be granted.

4. Upon approval of the Report and its terms and conditions the Executive Committee will authorize the Minister for Energy and Resource Development to issue a Development Certificate to the proponent.

5. The proponent will be directed to begin preparation of the Action Plan working through the Minister of Economic Development and Tourism to meet the terms and conditions.

6. Notice of Executive Committee approval and conditions for support of the project will be transmitted to the public and the Federal Government.

7. The Executive Committee decisions and conditions for support of the project will be used as the basis for preparing formal submissions to Federal processes.

8. After receiving all other project approvals and the completion of a satisfactory Action Plan, the project proceeds.

## AUTHORITIES AND ACCOUNTABILITIES

### Executive Committee

- Approves the Report of the Assessment and Review Process including terms and conditions.

Minister for Energy and Resource Development

- Advances Resource Development Guidelines to the Executive Committee.
- Initiates implementation of the Assessment and Review Process.
- Issues the Development Certificate on behalf of the Executive Committee.
- Presents the GNWT's position to Federal reviews based on the conclusions of the Assessment and Review.

Minister for Economic Development and Tourism

- Advances Action Plans to the Executive Committee.

Secretary for Energy and Resource Development

- Coordinates the Assessment and Review Process, including preparation of the Report and development of project terms and conditions.
- Coordinates preparation of GNWT presentations to Federal reviews.

Deputy Minister of Economic Development and Tourism

- Coordinates the preparation and review of Action Plans.

Deputy Ministers/Directors

- Coordinate preparation of departmental submissions and participation in the Assessment and Review Process.
- Coordinate departmental input into preparation and review of Action Plans.

Regional Directors

- Coordinate preparation of regional submissions in the Assessment and Review Process.

## III. MONITORING

1. The Regional Director supported by the Superintendent of Economic Development and Tourism and with input from Development Impact Zone Groups, GNWT departments and agencies will monitor and report on resource development activities, using established Monitoring Guidelines.

2. The Executive Committee will authorize the Minister for Energy and Resource Development to renew the Development Certificate upon approval of the Monitoring Report.

3. The Executive Committee will make the Monitoring Report available to the public.

## AUTHORITIES AND ACCOUNTABILITIES

### Executive Committee

- Approves the Monitoring Report.

### Minister for Energy and Resource Development

- Advances Monitoring Guidelines to the Executive Committee.
- Sponsores Monitoring Report and recommendations to Executive Committee for approval.
- Issues Development Certificate renewals.

### Deputy Ministers/Directors

- Provide departmental information and support in the Monitoring Process at the Regional Director's request.

### Regional Director

- Coordinates the Monitoring Process and the preparation of the Monitoring Report.
- Submits the Monitoring Report to the Minister for Energy and Resource Development.

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